United Nations DP/2003/1

Executive Board of the United Nations Development Programme and of the United Nations Population Fund

Distr.: General
7 November 2002

Original: English

First regular session 2003
20 to 29 January 2003, New York
Item 1 of the provisional agenda
Organizational matters

Report on the second regular session 2002 (23 to 27 September 2002, New York)

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I. Organizational matters

1. The second regular session 2002 of the Executive Board of UNDP and UNFPA met from 23 to 27 September in New York. At the session, the Executive Board approved the agenda and work plan for its second regular session 2002 (DP/2002/L.3 and Corr.1), as orally amended, and the report on the annual session 2002 (DP/2002/24). The Board also approved the list of items to be taken up by the Executive Board in 2003 (DP/2002/CRP.14)

2. It agreed to the following schedule of sessions of the Executive Board in 2003:

First regular session 2003:	20-29 January 2003
Annual session 2003:	9-20 June 2003 (New York)
Second regular session 2003:	8-12 September 2003

3. Decisions adopted at the second regular session 2002 were included in document DP/2003/2, which could be accessed on the web site of the Executive Board Secretariat at www.undp.org/execbrd/index.htm.

UNDP segment

II. Financial, budgetary and administrative matters

4. The Administrator introduced his report on the annual review of the financial situation in 2001 (DP/2002/25 and Add.1), information on United Nations system technical cooperation expenditure in 2001 (DP/2002/26 and Add.1), the report on the Inter-Agency Procurement Services Office (DP/2002/31) and its annual statistical report 2001 (DP/2002/32). He stated that in 2001 the overall resources of UNDP increased by 9 per cent and the regular (core) resources by 3 per cent. The growth in regular resources had reversed an eight-year downward trend. He reiterated that regular resources formed the bedrock of the operating base of UNDP. The challenge ahead, he observed, was to strive to mobilize more resources to meet the increasing demands of programme countries.

5. The Administrator briefed the Executive Board on the publication of the *Human Development Report 2002* and the *Arab Human Development Report 2002* and the successful participation of UNDP in the World Summit on Sustainable Development, held in Johannesburg, South Africa, from 26 August to 4 September 2002.

6. For easy access, the statement of the Administrator was posted on the web site of the Executive Board Secretariat at www.undp.org/execbrd/index.htm.

7. Delegations praised the high quality of the reports and the substantive and eloquent presentation by the Administrator. They commended UNDP for the 9 per cent increase in the overall resources and particularly the 3 per cent increase in regular resources in 2001. The upward trend, they noted, reflected a positive appraisal of the new UNDP by the donor community. They urged the Administrator and his colleagues to capitalize on the positive image by mobilizing more resources,

especially regular resources – the bedrock of UNDP – and by meeting the increasing demands and priorities of programme countries. The mobilization efforts should include a diversification of the resource base, including funds for special purposes. They also urged early and timely payment of contributions to avoid liquidity constraints and to realize greater predictability of income. UNDP was also encouraged to ensure efficiency and effectiveness in resource utilization in order to maximize savings.

8. The work of the Inter-Agency Procurement Services Office (IAPSO) was appreciated, including steps to become a self-financing entity. Delegations urged IAPSO to increase the level of procurement and the number of suppliers from developing countries.

9. Delegations underscored the usefulness of the report on technical cooperation of the United Nations system and commended the increase of 17 per cent in technical assistance delivered in 2001 by the entire United Nations system. In the case of UNDP, some delegations encouraged the linkage between upstream policy advice and long-term development at the country level. Other delegations urged that technical assistance should be adjusted in line with the recommendations prescribed at major United Nations conferences. Many delegations stressed that future reports should include World Bank inputs now that it had a grant component in its operations.

10. Some clarifications were sought regarding: (a) trends in trust fund financing in 2001; (b) the impact on UNDP in view of the grantization of a portion of international development assistance (IDA); (c) the regional implications of regular and other (non-core) resources and how to support the regular resource base more effectively from other resources; (d) closure of the United Nations Revolving Fund for Natural Resources Exploration (UNRFNRE) and United Nations Fund for Science and Technology for Development (UNFSTD); and (e) the respective roles of UNDP, other United Nations organizations and the World Bank in the follow-up to the Millennium Development Goals (MDGs)

11. Some delegations made recommendations to improve the work of UNDP in development research and human development reports, especially with regard to methodology and processes.

12. In his response, the Administrator reaffirmed that UNDP needed more core and non-core resources to meet the increasing demands from programme countries and responsibilities placed on it. He stressed, however, that non-core resources would complement but not replace regular resources, which remained the bedrock of UNDP operational activities.

13. On the question of UNDP involvement in the grant component of IDA operations, the Administrator welcomed the organization's participation. He advised that such involvement, however, would depend on a clear definition of the respective roles and responsibilities between UNDP and the World Bank.

14. With regard to human development reports, the Administrator noted that the databases that were used were subjective and did not enjoy intergovernmental authority. He assured the Executive Board that the principle of country ownership would be absolutely respected in the preparation of human development reports. UNDP, he stressed, would continue to promote development thinking in areas where there was not yet a consensus.

15. On matters related to the MDGs, the Administrator reaffirmed that countries had primary responsibility in this endeavour. Reporting on regional and global activities lies with the United Nations system whereas UNDP was responsible for providing technical assistance for analytical work and monitoring results at the country level.

16. On thematic trust fund projection, the Administrator reported that income stood at $23 million. When contributions to crisis prevention and recovery were included, which amounted to $100 million, overall income was much greater. An update would be provided at the end of 2002.

17. The Assistant Administrator and Director, Bureau of Management, reported that the UNRFNRE and UNFSTD funds had been closed as a result of Executive Board decisions and a shortage of funds. He added, however, that activities in those areas had continued to benefit from core and non-core resources. It was agreed that further bilateral discussions between UNDP and the delegations concerned would take place at an appropriate time.

18. The Executive Board adopted decision 2002/16 on the annual review of the financial situation 2001 and decision 2002/17 on establishing a UNDP special reserve on separations relating to UNOPS (see document DP/2003/2).

III. Programming arrangements

19. With regard to the report on programming arrangements for the period 2004-2007 (DP/2002/28), the Executive Board continued the discussions held at the annual session in June 2002. Accordingly, delegations' comments and UNDP responses were brief and focused on specific issues. It was reiterated that the bulk of resources should be allocated to the low income and least developed countries. Delegations also stressed close collaboration with United Nations funds, programmes and specialized agencies and emphasized UNDP coordination of United Nations activities at the country level.

20. In response to a question regarding the withdrawal of UNDP from countries which having reached a certain level of development could forgo the services of UNDP, the Associate Administrator stated that further consultations were still needed before a definitive position could be taken. He observed, however, that what was needed was a new type of modality for UNDP intervention rather than complete withdrawal.

21. Following intensive consultations, the Executive Board adopted decision 2002/18 (see document DP/2003/2) with the following main features.

22. The Executive Board reaffirmed the principles of eligibility of all recipient countries on the basis of universality, neutrality, multilateralism, the voluntary and grant nature of assistance and the capacity to respond to the needs of all recipient countries in accordance with their own policies and priorities. The Board also recognized the principles of UNDP activities, including progressivity, impartiality, transparency and predictability of resource flows for all recipient countries.

23. The Executive Board reaffirmed the annual funding target of $1.1 billion and encouraged all countries to contribute to the attainment of that goal.

24. The Executive Board confirmed the current allocation process with some modifications as follows: (a) a minimum absolute allocation of $350 000 per country office to ensure that the base mandate of UNDP can be met and that country offices have a critical mass of core programming funds to leverage other (non-core) resources; (b) a move to a one-pool target for resource assignment from the core (TRAC) distribution model in order to avoid the distortions inherent in the current methodology; (c) the introduction of a fixed absolute allocation for selected programme lines/components in combination with some changes in the percentage shares for the remaining lines, including an increased share for the three TRAC lines.

25. In this connection, the Executive Board decided to reallocate the present facility for support for policy and programme development (SPPD) and support for technical services (STS) under the current resources for the increase of the TRAC allocations and the resident coordinator support facility.

26. The Executive Board underlined the importance of continued and close cooperation between UNDP and the specialized agencies and the need to make such cooperation an integral part of all UNDP assisted programmes at the country and inter-country level in order to ensure that optimum use was made of the technical knowledge of the specialized agencies in areas of UNDP assistance.

27. The Executive Board also decided that, in view of the extension of the programming period from three to four years, there would be a mid-term recalculation of TRAC line 1.1.1 earmarkings on the basis of the agreed distribution model as well as a special arrangement for the recalculation of TRAC 1.1.1 earmarkings for net contributor countries that experienced a drop of at least 25 per cent in their World Bank gross national income (GNI) per capita figure.

28. The Executive Board requested that the Administrator submit in 2007 a report with proposals for successor programming arrangements.

IV. Evaluation

29. In his remarks on the annual report of the Administrator on evaluation (DP/2002/27), the Associate Administrator underscored that UNDP had introduced, aligned, internalized and simplified results-based management (RBM) to enhance organizational performance and development effectiveness.

30. The Director of the Evaluation Office reported that UNDP had established a system of accountability replacing the old ex-post system. The evaluation compliance was no longer a numbers game but a more strategic choice of the lessons to be learned in establishing the link between conducting evaluations and the management and programming decisions in the future. He observed that a three-tiered accountability and learning system at the programme, country and macro levels had been established in a mutually reinforcing manner. The tracking system ensured that the evaluation office could monitor compliance as an integrated part of good management.

31. Delegations commended the report for its high quality and forthright conclusions as well as the publications produced by the Evaluation Office. The data

from the development effectiveness report, for example, had assisted one of the delegations in their internal discussions about resource allocation to UNDP after the International Conference on Financing for Development, held in Monterrey, Mexico, from 18 to 22 March 2002. Many delegations endorsed the four key elements in the report: (a) the need to reinforce development effectiveness; (b) the need to support national capacity for evaluation, especially in the context of monitoring progress towards the Millennium Development Goals (MDGs); (c) the need to strengthen further in an integrated manner the culture of managing for results in UNDP; and (d) a commitment to learning lessons in line with the UNDP vision of connecting countries to knowledge and experience.

32. Delegations appreciated the role of the Evaluation Office in results-based management and the progress it had in ensuring systematic evaluation methodologies, impact assessment and development effectiveness. They stressed the need to develop clear benchmarks to monitor progress towards the MDGs and urged the Evaluation Office to participate in the monitoring and evaluation of MDGs. UNDP was commended for its contribution, in partnership with the World Bank, to the International Development Evaluation Association (IDEAS) in supporting national Governments to track progress. UNDP was further commended for its support to the United Nations Inter-Agency Working Group (IAWG) on Evaluation. The group had potential for harnessing the United Nations system in monitoring the MDGs and in evaluating the United Nations Development Assistance Frameworks. The work undertaken by the Evaluation Office on governance and decentralization was appreciated. The report on lessons learned would be presented to the Executive Board at its second regular session in September 2003.

33. Some delegations sought clarification or more information about: (a) the independence of the Evaluation Office in comparison with other institutions, such as the World Bank, that report to their Boards; (b) information on the criteria used in the selection and prioritization of strategic evaluations; (c) the number of evaluations undertaken every year; (d) the difference between the results-oriented annual report (ROAR) and the development effectiveness reports (DER); and (e) the status of the country-driven evaluation exercise in Mozambique.

34. Some delegations recommended that the Evaluation Office should have more data including diagrammatic presentations based on time series. Others suggested that evaluations should be conducted on issues such as gender mainstreaming, the Business Plans, re-profiling exercise and partnership strategy. In light of its increasing responsibilities, several delegations raised the issue of the capacity of the Evaluation Office mindful that its budget had declined from $3 million in 1998 to the current level of just over $1 million.

35. The Director responded to the issues that had been raised. He acknowledged the support provided by the senior management of UNDP, noting that while there was a need for professionalism and objectivity in the way findings were presented, with management providing a response, the issue of the independence of the Evaluation Office was more complex. He reported that the agenda was determined through a process of consultations within UNDP and with partners. He advised that the agenda for strategic evaluations in 2002-2003 had already been posted on the web site at www.undp.org/eo.

36. He clarified the difference between the ROAR and the DER by observing that the ROAR was a record of the internal assessment of UNDP while the DER was a

report based on external evaluations. The two documents, therefore, complemented each other in measuring progress. On the evaluation exercise for Mozambique, the Director stated that there was a slow start but sufficient momentum had since been realized. The results and the experience gained would be presented to the Executive Board at its second regular session in September 2003.

37. The Director concluded his response by noting, with reference to more data based on time series, that the Evaluation Office needed to find a balance between more or less data. He suggested that informal consultations could be held with the Executive Board at an appropriate time to find a solution.

38. The Executive Board adopted decision 2002/19 (see document DP/2003/2).

V. Country programmes and related matters

39. The Executive Board reviewed eight country programme outlines, two multi-country programme outlines, the programme of assistance to Somalia, the oral report on Myanmar, ten country cooperation frameworks (CCFs) and one CCF extension for Sierra Leone.

40. Delegations commented substantively on the programme outlines. The main issues in the debate were: (a) areas of focus; (b) linkages between upstream and downstream and between national and regional programmes; (c) gender-mainstreaming; (d) consultation process; and (e) coordination.

41. Many delegations expressed satisfaction with the areas of concentration, some of which had been drawn from common country assessments and United Nations Development Assistance Frameworks to address major development challenges, such as HIV/AIDS and capacity development.

42. There was also satisfaction about the mix and linkage between upstream and downstream activities. In the case of multi-country programme outlines, however, it was stressed that the linkage between national and multi-country programmes should be established.

43. Gender-mainstreaming received considerable attention in the discussions. Some delegations noted that commendable efforts had been made to mainstream gender activities in the selected focus areas of some country programme outlines.

44. On the consultation process, many delegations observed that comprehensive consultations among the relevant stakeholders, including the donor community, civil society organizations and the private sector, had taken place.

45. Some delegations commented on the role of coordination. It was stressed that greater coordination of all development partners was vital to bring about efficiency and effectiveness in the utilization of scarce resources. The role of UNDP was emphasized in creating or strengthening strategic partnerships for resource mobilization, management and coordination of programme activities. To realize this goal, UNDP country offices needed to be strengthened and sustained.

46. The Executive Board took note of all country programme outlines and comments made thereon. The respective bureaux sent the comments immediately to the country offices concerned for incorporation into the final programme. Those

comments would be posted on the Executive Board Secretariat web site at www.undp.org/execbrd/index.htm.

47. Pursuant to the decision of 17 July 2002 of the Bureau of the Executive Board, the present report would only cover the main issues as presented above.

48. The ten CCFs were approved on a no-objection basis; no request from at least five members of the Executive Board to discuss a particular CCF was made. The Board took note of the one-year extension of the first CCF for Sierra Leone.

Assistance to Somalia

49. Pursuant to Executive Board decisions 93/4 and 99/7, the Administrator presented a note on Assistance to Somalia (DP/2002/29). The note outlined the UNDP programme in Somalia for 2002 to 2004. The note took into account the outcomes of a programme review and re-profiling mission of 2001 and the inter-agency mission of 2002. The programme would focus on governance, the rule of law and security, poverty reduction, empowerment of civil society organizations and gender. The Administrator sought the endorsement of the Executive Board to continue to approve projects on a case-by-case basis.

50. Delegations appreciated the achievements to date despite a very difficult external environment. They supported the new focus of the programme and the continuation of approvals on a case-by-case basis. They acknowledged UNDP achievements, particularly in the area of civil protection, and urged the programme to be more proactive in peace-building, with greater involvement in the North West part of the country. They appealed to the donor community for more support. They called for increased coordination with United Nations system and other entities in the country. UNDP and the Office of the United Nations High Commissioner for Refugees were also encouraged to translate the refugee integration initiatives into concrete action plans.

51. In response, the Resident Representative observed that a legacy of physical and human destruction and lost opportunity for children and young adults characterized Somalia. He also reported that insecurity remained a formidable challenge in many parts of the country, but that development work was possible in selected areas of tranquillity. Innovative approaches commensurate with the situation were needed in order to operate in the country.

52. The Executive Board took note of the Administrator's note on continued assistance to Somalia.

Assistance to Myanmar

53. The Resident Representative presented an oral report to the Executive Board on the preliminary findings and recommendations of the independent assessment mission, which took place in May and June 2002. He spoke about the status of the Human Development Initiative (HDI) projects and highlighted the impact of UNDP assistance on capacity-building and basic social needs at the grass-roots level.

54. He reported that, according to the findings of the independent mission, the gains made by the HDI projects were in danger of being wiped out because of the prevailing unfavourable macro-economic environment. There was therefore a need to support pro-poor policy analysis and advocacy and to sustain project achievements.

55. The Resident Representative confirmed that he continued to consult regularly with officials of the National League for Democracy, the international community and civil society organizations. He also reported that, following her release from house arrest, Daw Aung San Suu Kyi, leader of the National League for Democracy, had visited UNDP Human Development Initiative (HDI) project sites and gained useful insights about project activities and their impact.

56. He further reported that the United Nations country team had been engaged in discussions about various strategies and options for expanding humanitarian assistance, including HIV/AIDS and activities for quick impact interventions.

57. Delegations appreciated the contribution of UNDP in addressing the humanitarian and development needs of the poorest segment in Myanmar in spite of the difficult and deteriorating economic and social environment about which they expressed their concern.

58. Notwithstanding the slow pace in the political dialogue, some delegations suggested that the scale and type of UNDP assistance should be adjusted and urged the Executive Board to review the current restrictions. They also urged the Government to create a favourable space in which to undertake genuine political dialogue with political entities.

59. Delegations acknowledged that: (a) the content and objectives of HDI conformed to the mandate of the Executive Board; (b) the emphasis was placed on supporting the poorest segment of the population; and (c) the assistance had generated positive results, including strong community participation in and ownership of project activities and outcomes.

60. The Resident Representative responded by assuring the Executive Board that their comments would be taken into account as appropriate in project implementation. He confirmed that the United Nations expanded theme group mechanism encompassed membership from all United Nations organizations in the country and five members of the international community. Discussions were underway to possibly expand the group to include more members of the donor community and civil society organizations.

61. The Assistant Administrator and Director, Bureau for Asia and the Pacific, emphasized that UNDP assistance to Myanmar was tailored to suit the specific circumstances in the country. While it would be prudent to continue to work within the current guidelines, he indicated that, for the time being, in order to quickly scale up activities in the event of political changes, UNDP would carry out comprehensive assessments and surveys in selected priority areas as had been approved by the Executive Board at its second regular session in September 2001. Those would enable better targeting of the poverty situation and improvement in food security. UNDP would also continue to participate actively in the United Nations plan of action for HIV/AIDS and in the proposed United Nations humanitarian assessment exercise. He further suggested that the issue of UNDP involvement in policy dialogue could be revisited at the first regular session of the

Executive Board in January 2003 when the report of the assessment mission would be discussed.

62. The Board took note of the oral report on Assistance to Myanmar and stressed that its comments should be accounted for when reporting at the first regular session 2003.

VI. United Nations Development Fund for Women

63. The Associate Administrator of UNDP commended the excellent progress that the United Nations Development Fund for Women (UNIFEM) had made to date in implementing its Strategy and Business Plan 2000-2003 and its efforts to strengthen and expand its partnership with UNDP. He concurred with the recommendation of the Consultative Committee on the proposed human resources arrangements.

64. In presenting her report (DP/2002/30), the Executive Director recalled the mandate of UNIFEM, the five strategic objectives of its current Strategy and Business Plan, the three thematic areas based on the Beijing Platform for Action, the Millennium Development Goals (MDGs) and other recommendations of United Nations conferences.

65. She reported on the results achieved by UNIFEM during the biennium 2000-2002, highlighting the lessons learned and challenges ahead. She spoke of the increased collaboration with the United Nations system and UNDP in particular, the support to the common country assessment and United Nations Development Assistance Framework processes in over 30 countries and UNIFEM input into selected poverty reduction strategy paper processes. She also reported that joint UNDP/UNIFEM activities in 2001 were undertaken in 51 UNDP country offices, representing an increase over activities in 2000.

66. The Executive Director announced that the key challenges included excess demand for UNIFEM gender expertise over supply; more systematic analysis of the expertise needed to match the demand; and clarification of roles and responsibilities for gender-mainstreaming within United Nations organizations and at the country level.

67. The Executive Director concluded her presentation by reporting that UNIFEM regular (core) and other (non-core) resources had increased in 2001.

68. Delegations, including the chair of the Consultative Committee, commended UNIFEM for a well-prepared report and excellent presentations. They underscored the achievements so far in the implementation of the Strategy and Business Plan 2000-2003 and in mobilizing core and non-core resources; noted that the UNIFEM mandate remained relevant; and strongly commended the catalytic work of the Fund in promoting women's rights. Delegations further commended UNIFEM for its role in building women's leadership in situations of peacemaking and reconstruction, including in Afghanistan, in promoting gender-mainstreaming within the United Nations system and for conducting learning-oriented assessments over the past two years.

69. Many delegations called on UNIFEM to: (a) strengthen its efforts in areas such as HIV/AIDS, economic security and implementation of the Convention on the

Elimination of All Forms of Discrimination against Women; (b) strengthen collaboration with UNDP and other entities such as the World Bank; (c) supply more information on how UNIFEM was tracking progress, what indicators were being used and how organizational priorities and strategies were being set; (d) provide information on lessons learned from learning-oriented assessments; and (e) reinforce UNIFEM partnerships with programme countries. UNIFEM was also requested to provide more information on its web site about its financial situation and its strategy for building the capacities of its national committees.

70. In her response, the Executive Director reiterated that the responsibility for gender-mainstreaming was located at the highest level in the United Nations system. While political will existed, there remained a strong need for accountability mechanisms and specialized gender expertise at the field level.

71. The Executive Director stressed that the MDGs provided an important framework for UNIFEM work. She also noted that progress towards gender equality and women's empowerment was critical for the achievement of all development goals. Monitoring and tracking gender equality would continue to constitute an important strategy for UNIFEM. She emphasized that the implementation of successful programmes depended on close collaboration with donor and programme countries.

72. On resources, the Executive Director stated that she would welcome an increase in core resources, which would enable UNIFEM to implement its programme with greater flexibility. Regarding information and communication technologies, she advised that such technology could be effectively used for the creation of knowledge communities to respond to the increasing demand for gender expertise by United Nations country teams.

73. In providing a preview of the next UNIFEM strategy and business plan, the Executive Director reported that UNIFEM was in the process of initiating stakeholder consultations, adding that the MDGs would constitute an important reference for the new plan. She stressed that programming would promote stronger inter-linkages among UNIFEM thematic areas. The plan would also adopt a conceptual framework linking elements from development and empowerment and other frameworks addressing women's security, rights and the rule of law.

74. The Deputy Director (programmes) reported that the implementation of the Strategy and Business Plan 2000-2003 had arrived at mid-point, presenting an opportunity for drawing lessons and revising the existing results framework. She observed that UNIFEM had conducted a number of assessments at the thematic and process levels, the results of which would be useful in the formulation of the next strategy and business plan. She also informed the Executive Board that UNIFEM was implementing a strategy to strengthen the capacities of committees, transforming them into vibrant constituencies for the Fund.

75. The Executive Board adopted decision 2002/20 (see document DP/2003/2).

VII. UNOPS: Financial, budgetary and administrative matters

76. The Executive Director, United Nations Office for Project Services (UNOPS), introduced the report on the implementation of the revised budget for 2002, revised budget estimates for the biennium 2002-2003, and report on the level of the operational reserve (DP/2002/33); the statistical annex (DP/2002/33/Add.1); report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) on the revised budget estimates for the biennium 2002-2003 (DP/2002/34); report of the Executive Director on the implementation of the recommendations of the Board of Auditors for the biennium 2000-2001 (DP/2002/35); the action plan on savings from projected staff cuts (DP/2002/35/Add.1); contingency plan with regard to the operational reserve (DP/2002/35/Add.2); and the terms of reference for an independent review of the business model of the United Nations Office for Project Services (DP/2002/36).

77. He paid tribute to the staff of UNOPS and to colleagues in human resources management for exceptional efforts at a difficult time to help displaced staff. He then provided an update on existing income and expenditure levels, noting that project delivery was slightly ahead of target. He warned, however, that unforeseen increases in staff costs could lead to overexpenditure of around $800 000, which could be offset by possible savings under other budget items and income from the implementation of new business with United Nations organizations, including the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Environment Programme (UNEP), the United Nations Children's Fund (UNICEF) and the United Nations Human Settlement Programme (HABITAT).

78. The Executive Director announced that UNOPS had been shortlisted as a local fund agent candidate by the new Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria and its trustee, the World Bank. The services of a local fund agent would be similar to those provided to the International Fund for Agricultural Development.

79. The Chairman of the Management Coordination Committee (MCC) commented on the steps that had been taken to improve the financial situation of UNOPS, the challenges ahead and the new business opportunities with United Nations organizations. He concurred that the staff of UNOPS had done a commendable job under difficult circumstances. He reported that the MCC believed that there should be no further staff cuts in order to ensure the stability of UNOPS.

80. Delegations welcomed the steps that had been taken to improve the financial position of UNOPS and to create new business opportunities with the United Nations organizations referred to above. Other delegations, however, expressed concern at the current financial situation and stressed the importance of cost recovery.

81. Many delegations supported the reaffirmation by the Secretary-General (DP/2002/CRP.5) of UNOPS as a separate, identifiable, self-financing entity within the United Nations system, and encouraged United Nations organizations to make full use of the services provided by UNOPS on a competitive and cost-effective basis. Two delegations suggested that the Board consider expanding the clientele of UNOPS beyond agencies of the United Nations system, while one delegation considered that the current United Nations market was adequate.

82. The proposed independent review of the business model of UNOPS was discussed at some length, including issues of timing to avoid the creation of

additional disruptions or uncertainty. The Executive Board ultimately decided to organize a review of the UNOPS business model, its cost effectiveness and the scope for further expansion of business opportunities within the United Nations system. The Board also adopted decision 2002/22 (see document DP/2003/2) to review the status of voluntary contributions towards the budget and the timing of the independent review at its first regular session in January 2003.

83. Several delegations requested clarification on the apparent discrepancies between the Note of the Management Coordination Committee of UNOPS (DP/2002/CRP.15) and the report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) on the revised budget estimates for the biennium 2002-2003 (DP/2002/34).

84. The Chairman of the MCC stated that the Note of the Management Coordination Committee of UNOPS (DP/2002/CRP.15) had been cleared and agreed to by members of the MCC. He also stated that document DP/2002/CRP.15 was prepared in order to correct some of the facts and background presented to the ACABQ by the Executive Director on which some of the conclusions of the ACABQ were based.

85. The representatives of UNICEF and UNESCO spoke of their new collaborative arrangements with UNOPS based on respective comparative advantages and mandates.

86. In his response, the Chairman of the MCC observed that the budget figures before the Executive Board were the latest estimates prepared by UNOPS and reflected agreement between the MCC and the Executive Director of UNOPS.

87. The Executive Director reiterated that reviews of the organizational structure of UNOPS had been high on the agenda, including the one undertaken by the United Nations Office of Internal Oversight Services. He called for the resumption of the reform of the UNOPS organizational structure, which the MCC had suspended in February 2002.

88. The Executive Board adopted decision 2002/21 (see document DP/2003/2) and approved the revised budget estimates for the biennium 2002-2003, as recommended by the ACABQ, as well as the contingency plan.

Joint UNDP/UNFPA segment

VIII. Reports on field visits

Report on the field visit to Viet Nam

89. The rapporteur introduced the report on the field visit to Viet Nam (DP/2002/CRP.7). He thanked the Government of Viet Nam, the UNDP and UNFPA country offices and the Executive Board Secretariat for the excellent arrangements. He paid special tribute to the President of the Executive Board of UNDP/UNFPA for his outstanding and impressive leadership during the mission.

90. He reported that the joint visit of members of the Executive Boards of UNDP/UNFPA and the United Nations Children's Fund (UNICEF) had

demonstrated that the United Nations should be seen as one entity. The visit provided an opportunity to assess and understand the effects of decisions taken by the Boards at the country level. He focused on issues in the report related to United Nations operational activities in Viet Nam.

91. He observed that Executive Board members gained valuable insight into the issue of coordination, specifically harmonization and simplification of procedures, which, if implemented, could lead to improvements in efficiency, effectiveness and coherence.

92. He stated that Viet Nam was one of the first countries to produce a national Millennium Development Goal (MDG) report, which had been closely linked with the poverty reduction strategy papers (PRSP) and the United Nations Development Assistance Framework (UNDAF). Those nationally owned instruments facilitated coordination and helped to define common priorities for United Nations organizations, Bretton Woods institutions and bilateral donors in Viet Nam. He reported that the World Bank appreciated the upstream activities of UNDP within the context of the new grantization regime of international development assistance (IDA), adding that the World Bank, providing its own assistance, had replicated successful UNDP pilot projects on a larger scale. He further noted that the International Monetary Fund (IMF) had shifted its role, prioritizing greater involvement in developing countries. The IMF shift, in tandem with the presence of a massive private sector in the Vietnamese economy, had prompted a World Bank move towards traditional United Nations activities. Accordingly, the United Nations country team and the World Bank needed to forge a new partnership in support of country-led donor efforts. UNDP, as coordinator of the United Nations system, also had a critical role to play in supporting national capacity-building efforts.

93. The rapporteur underscored the gap between the work of the Executive Board and UNDP/UNFPA activities at the country level. The Board was perceived in the field as distant and remote, with limited impact on the ground. The gap could be bridged by giving high priority to country-level experience in the agenda of the Board.

94. Many delegations, including participants in the field visit, complemented and emphasized the comprehensive introductory statement by the rapporteur, noting in particular that the joint visit had been very fruitful, contributing to a greater understanding of developments and challenges in Viet Nam. They stressed: (a) the importance of a more systematic approach in the working methods and overall relationship among organizations of the United Nations system, on the one hand, and with international financial institutions (IFIs), on the other hand; (b) the need to make UNDAF a more effective instrument in the coordination and harmonization of United Nations activities at the country level; (c) the link between upstream and downstream activities; and (d) the necessity to improve the financial flexibility of the resident coordinator. They also underscored the importance of national ownership of United Nations-supported programmes and a careful selection of countries for joint field visits in order to maximize the benefits.

95. Some delegations emphasized the need to pay more attention to: (a) gender issues in future visits; (b) the promotion of reproductive health and HIV/AIDS activities; and (c) the design of subregional resource facility (SURF) arrangements so that skill endowments reflected the changing demand and country offices did not bear the full cost of their services. Also stressed was the importance of closing the

gap between Executive Board decisions and activities at the country level and improving the relationship between UNDP/UNFPA staff at headquarters and in programme country offices.

96. In response, the Assistant Administrator and Director, Regional Bureau for Asia and the Pacific, concurred that better harmonization and coordination within the country teams and better collaboration between the IFIs and the United Nations system were essential, even though Viet Nam was regarded as a model country in collaboration matters. He also agreed that there was a need to ensure a close link between upstream and downstream instruments in programming work to ensure synergy between the two.

97. With regard to country ownership, the Assistant Administrator observed that Viet Nam had exhibited strong ownership of the programming process and a deep commitment to poverty reduction. He noted that future work of UNDP on the MDGs would be country driven with a clear sense of ownership by the people of Viet Nam.

98. The Assistant Administrator noted that there were concerns about the value of the UNDAF being overshadowed by the PRSP. The preparation of the second UNDAF was designed to overcome that shortcoming and render the UNDAF a more effective tool in coordination and harmonization of United Nations activities. The UNDAF, therefore, remained an indispensable tool. The issue was one of ensuring better implementation, coordination and joint programming. To realize that goal, thematic and implementation groups had been established in Viet Nam.

99. He emphasized that gender issues were taken seriously in the region, noting that the demographic transition in Asia would create conditions for the empowerment of women.

100. The use of the SURFs was a vital part of the reform process within UNDP and the two SURFs in the region were doing very well. He reported that country offices covered expenses such as the daily subsistence allowances (DSA). The balance of costs, such as salaries, came from global and regional resources. Staff in the SURFs were hired for two to three years; their supply reflected the changing demand in skills.

101. The Director, Asia and the Pacific Division, UNFPA, thanked the Executive Board for the useful recommendations contained in the report on the field visit. He stated that UNFPA had taken note of the comment made by one delegation regarding strengthening coordination in the field. He noted that one of the purposes of the Fund's transition process was to strengthen further the relationship between headquarters and the field. He observed that the UNFPA-supported country programme in Viet Nam was gaining momentum. Its main purpose was to increase reproductive health services for the people of Viet Nam and to contribute to raising their standard of living. He thanked the donors that had provided support for the programme. He concurred with the observation that country experience should be high on the agenda of the Board. He noted that any reform process should be measured in terms of its impact at the country level. He concluded by thanking the Government of Viet Nam for hosting the field visit undertaken by members of the Board.

102. The representative of Viet Nam thanked the Executive Board for the first-ever joint mission, which offered members the opportunity to witness the achievements of fruitful cooperation between the United Nations and Viet Nam. He stressed that

the United Nations enjoyed trust and respect in the country. He paid special tribute to the Government of the Netherlands for the additional support to the activities of UNFPA in Viet Nam.

103. The President of the Executive Board, who led the mission, reported that the exercise had been extremely useful. He thanked the members of the mission and the UNDP/UNFPA country teams for making the visit pleasant and useful. He expressed gratitude to the Government and people of Viet Nam for the excellent preparatory work and the open and frank discussions that took place.

104. The President focused his remarks on four critical areas for future consideration by the Executive Board. First, he stressed that coordination and coherence within the United Nations system, including funds and programmes, and between the United Nations system, IFIs and regional banks was vital for combining the power of ideas and finances. Second, he underscored the importance of country ownership of all programmes and activities supported by the United Nations system. Third, he emphasized and regretted the distance between the Board and programme countries. He advised that bridging the gap would require the Board to accord high priority in its agenda to country-level experiences. In his fourth point, the President stressed the importance of the financial flexibility of resident coordinators to respond to urgent requests, the capacity of human resource management in upstream policy advisory services for the new UNDP, and the link between upstream and downstream activities to enhance the effectiveness of UNDP in programme countries.

105. The Executive Board adopted decision 2002/23 (see document DP/2003/2).

UNFPA segment

IX. Financial, budgetary and administrative matters
X. Human resources strategy

106. The Executive Director updated the Executive Board on a number of important developments since the Board's annual session in June. First, she thanked the Executive Board for the strong support it had expressed for UNFPA and its programme at the annual session and for the corresponding decision (2002/5) that the Board had adopted on crucial issues concerning the Fund's work and its funding. She thanked the donors that had provided additional contributions and those that had made early payments of pledges. On the issue of resources, she underscored the need for strong political and financial support for UNFPA, as well as increased, stable and predictable core funding for the Fund to carry out its mandate effectively. She noted that decision 2002/5 encouraged all countries, in the spirit of the Monterrey Consensus, to further their support for UNFPA, in particular through increased funding to the Fund's core resources. She stressed that it was core resources, and their associated neutrality and universality, that enabled UNFPA to carry out its mandate as a trusted and valued partner and to exert influence far beyond the modest resources it provided.

107. She stated that the Fund's resource base was precariously low. Current core income for 2002 was $242 million, a 10 per cent decrease compared to 2001. Total

resources – core and non-core – were currently at $317 million, or 20 per cent less than the total in the previous year. The grave financial situation would have serious consequences for the UNFPA programme. For example, early reports from UNFPA country offices indicated that in a number of countries plans to purchase medical equipment were being halted; family planning programmes were being suspended; initiatives to halt the spread of HIV/AIDS were being curtailed; and sexual education and family life skills courses were being cut.

108. The Executive Director was very grateful to the European Union for its strong support – as reflected in the resolution of 30 May of the Council of Ministers of Development Cooperation, reaffirming support for UNFPA and underlining the importance attached to the Fund's activities; and in the European Commission's announcement on 24 July of a pledge of 32 million euros for a joint project to provide 10 countries in Africa, the Caribbean and the Pacific with family planning services and advice on population and health issues. Of the total amount, UNFPA expected to receive approximately 20 million euros in non-core resources for the three-and-a-half-year project. She also thanked the members of the Group of 77 and China and of the Africa regional group for their unqualified support. She called attention to a spontaneous, grass-roots initiative – the "$34 Million Friends" campaign – that was taking place across America urging individuals to contribute $1 or more to UNFPA. She noted that letters had been pouring into UNFPA and a total of $50,000 had been received to date. She observed that the spontaneous outpouring of support was gratifying and it underscored how deeply people cared about the issues and ideals that UNFPA supported and stood for.

109. Concerning the Fund's transition process, she noted that it was now in its final stages. At the centre of the transition process was the field needs assessment study that the Fund had conducted in July 2001. She reported that UNFPA had taken action on more than 75 per cent of the 208 recommendations that could be implemented. The remaining recommendations would be addressed in the coming year. The next three months of the transition process would be busy ones as UNFPA expanded research, training and knowledge sharing in poverty reduction strategy papers (PRSPs) and sector-wide approaches (SWAps); launched the Fund's new logo and corporate identity in December to ensure the uniform branding of UNFPA the world over; developed the tools, guidelines and procedures needed to implement the new human resources strategy, including competency and career-planning frameworks and new performance appraisal systems; and designed a comprehensive training programme to familiarize all staff with changes in policies, procedures and systems resulting from the transition process. Underpinning all of those activities would be a strong commitment to promoting a culture of knowledge sharing and communication, which itself was a major goal of the transition.

110. The Executive Director stated that the implementation of the Fund's new strategic direction was a crucial aspect of the transition process. It was driven by the need to position the Programme of Action of the International Conference on Population and Development (ICPD) and ICPD+5 key actions firmly within the context of the most pressing global concerns expressed in the Millennium Development Goals (MDGs): eradicating poverty; reducing maternal mortality and morbidity; promoting gender equality and equity; stopping the spread of HIV/AIDS; and improving environmental protection. The transition process provided an ideal opportunity for UNFPA to demonstrate how its programmes contributed to those goals. It was also an invaluable tool to mobilize UNFPA staff to position the Fund's

country programmes at the centre of poverty-reduction efforts and the global consensus on MDGs. She added that the new typology of country offices would strengthen the capacity of UNFPA country offices and help bring about a renewed, focused and more effective field presence.

111. Regarding the important issue of culture and development, she noted that UNFPA had explored the area to identify a specific niche. UNFPA had a rich experience in projects that were designed taking into consideration the cultural context, albeit such projects were not systematically introduced or conceptually consolidated. The Fund was embarking on a regional programme in Africa on culture and reproductive health. UNFPA had also developed a project proposal for mainstreaming culture in UNFPA programmes. The Fund was undertaking an in-depth review of selected field projects that had utilized the "culture lens" specifically in the area of HIV/AIDS and gender. Also, it would review the rich material produced by Al-Azhar University on Islam and population and reproductive health issues. The review would contribute to the formulation of a proposal to make such knowledge simplified and accessible for advocacy in the various Islamic contexts.

112. Concerning PRSPs and SWAps, she noted that UNFPA was committed to becoming an effective partner in SWAps and PRSPs. However, those processes required technical knowledge and expertise that were, in some ways, different from those traditionally employed by UNFPA. The Fund was convinced that the key to its effective participation in SWAps and PRSPs was training and hands-on experience. UNFPA had therefore developed a proposal to be sent to interested donors for a special two-year project aimed at dramatically increasing the Fund's capacity to participate in SWAps and PRSPs.

113. With reference to the MDGs, the Executive Director informed the Executive Board that UNFPA was playing an active role at global and country levels in supporting national efforts to achieve the targets of the MDGs. UNFPA fully recognized that progressing towards the MDGs was critically dependent on, among other things, making progress towards the ICPD goal of achieving universal access to reproductive health services. She noted that at the global level, UNFPA co-chaired the United Nations Development Group (UNDG) Working Group on the MDGs and participated actively in support of the Millennium Project. At the country level, in addition to ensuring that national analyses and reports included access to reproductive health services as an indicator, UNFPA was mainstreaming relevant MDG targets in all of its country programming processes. The Fund was also encouraging the inclusion of MDG indicators in PRSPs so as to help ensure an appropriate focus on population, reproductive health and gender issues in national poverty reduction strategies. The Executive Director noted that the Fund was particularly gratified that the Executive Board had recognized, in decision 2002/5, the crucial role UNFPA played in helping countries to achieve the MDGs and to eradicate poverty.

114. Regarding the recently concluded World Summit for Sustainable Development (WSSD), in which UNFPA had participated actively, she noted that the WSSD outcome documents had brought poverty more centrally into the global sustainable development agenda. That, of course, was consistent with the new directions UNFPA was taking in its programmatic support to countries. UNFPA would actively and strategically engage in WSSD follow-up events in support of the Plan of

Implementation. UNFPA also planned to take advantage of the numerous opportunities emanating from the Plan of Implementation to collaborate with a wide range of development partners in the areas of its mandate. An important objective of the collaboration would be to reinforce the critical role of population dynamics and reproductive health issues in sustainable development, including in the eradication of poverty.

115. Concerning the approaching tenth anniversary of ICPD, she noted the need to reflect on the progress that had been made in achieving the goals and objectives set out in the Programme of Action. Most importantly, a review of progress needed to take place at the national level so as to help accelerate further implementation of the Programme of Action. She added that consultations were to take place at the regional level, to exchange experiences and derive lessons learned for each region. She observed that the need was not for another "conference event", but for a collective and considered review by all countries of the status of implementation of the ICPD Programme of Action and for giving some prominence to population and development issues on the global development agenda. UNFPA was actively seeking support for the modest, albeit important, events being planned to mark the tenth anniversary of ICPD.

116. The Executive Director concluded by expressing sincere and deep appreciation for the support of the Executive Board. She underscored that UNFPA rested solidly on the bedrock of internationally accepted standards of human rights, and all of the Fund's programmes, which were nationally owned, conformed to those standards.

117. Following the Executive Director's statement, the delegation of the United States took the floor to explain the decision regarding funding UNFPA. While noting that the United States had long been an active supporter of UNFPA, the delegation stated that it had determined in July that it could not fund UNFPA in 2002 because of its China programme. The programme had triggered the Kemp-Kasten Amendment that specified that no United States government funds be used in a programme that "supports or participates in the management of a programme of coercive abortion or involuntary sterilization". The delegation urged reforms of the Fund's China programme. Such reforms could include building a "firewall" between UNFPA and the Government of China; expanding the Fund's use of independent international non-governmental organizations (NGOs); and instituting a monitoring regime to ensure that the programme did not support or participate in the management of a programme of coercive abortion.

118. The delegation added that at the ICPD China had agreed to an important principle: the right of women to choose the number of their children. Therefore, China should respect the right of Chinese women to choose -- voluntarily and without coercion – the number of their children. The delegation added that social compensation fees must be eliminated, along with other coercive practices, and China's state birth planning programme should use only voluntary means. The delegation stated that the United States would work with UNFPA and the Chinese Government to develop a programme that followed those important principles. The delegation hoped that the reforms could be achieved quickly so that the United States could once again fund UNFPA. The delegation noted that having supported UNFPA from its inception, the United States wanted to be able to fund UNFPA again and to continue to work with the Fund's leadership in supporting programme goals.

119. The delegation of China noted that for over 20 years its country had had fruitful cooperation with UNFPA that had produced encouraging results. Since ICPD, the cooperation had entered a new phase, focused mainly on providing reproductive health services to population groups, particularly women, in dire need of those services in a selected number of poor areas in China. Project activities focused on the provision of information and advice and people-oriented, client-centred quality services to enable clients to make voluntary and informed choices on family planning methods. The delegation pointed out that UNFPA assistance was limited in monetary terms, amounting to $3.5 million annually. China's inputs in the project counties were about three to nine times those of UNFPA. Nevertheless, in spite of limited funding, UNFPA had produced a positive impact. The delegation stated that in the project areas the percentage of women choosing their own contraceptive methods had risen from 53 per cent (at the start of the project) to the current 83 per cent; maternal mortality had fallen from 66 per 100,000 live births to 62; infant mortality had dropped to 21 per 1,000 live births; the percentage of deliveries attended by trained and skilled midwives had reached 96 per cent; and the abortion rate had been reduced to 11 per cent.

120. The delegation stated that China's country programme had been considered and approved by the Executive Board. The programme was consistent with ICPD principles and was characterized by openness and transparency. Also, it had been under close monitoring and supervision. The delegation noted that during the last three years China had received 160 monitoring field missions and inspections, including missions composed of Executive Board members, United States government representatives, and parliamentarians from the United Kingdom. The delegation observed that it would have been expected that the openness of the Chinese Government would be appreciated. Instead, from some quarters, politically motivated allegations of coercive activities had been heard. The delegation underscored that all the above-mentioned missions, including from the United States, had come to the same conclusion, i.e., that the allegations were baseless. The delegation quoted from the conclusion of the recent assessment mission led by Ambassador William Brown of the United States: "We find no evidence that UNFPA has knowingly supported or participated in the management of a programme of coercive abortion or involuntary sterilization in the People's Republic of China".

121. Numerous delegations thanked the Executive Director for her eloquent and insightful statement. Delegations expressed grave concern about the Fund's financial situation. Numerous delegations registered their confidence in UNFPA and underscored the Fund's crucial role in global efforts to reduce poverty and achieve the MDGs. Several delegations welcomed the Fund's embracing the MDGs and stated that they attached great importance to the Fund's global programme that was based on the ICPD Programme of Action, ICPD+5 and the MDGs. Numerous delegations underscored the importance of the Fund's human rights focus and urged UNFPA to remain robust in defending reproductive rights. Several delegations welcomed the Fund's readiness to contribute to PRSPs and SWAps. A number of delegations noted that UNFPA played a key role in the area of population and deserved the moral and financial support of all countries. One delegation, speaking on behalf of the Africa regional group, stated that UNFPA was the most important agency helping African countries. One delegation commended UNFPA for its courageous response to attacks, and stated that during the General Assembly its Deputy Prime Minister and Minister for Foreign Affairs and External Trade had

underscored her country's firm support for UNFPA, emphasizing that international action for reproductive health was indispensable.

122. Several delegations expressed deep concern about the United States withholding its contribution to UNFPA. They called on the United States to reconsider its decision and restore funding. Delegations stated that withholding the contribution would, inter alia, impact HIV/AIDS prevention and poverty reduction programmes, and would have a devastating effect on women and children in developing countries around the world. Delegations called on all countries to rededicate themselves to the spirit of the Monterrey Consensus, ensuring that tangible benefits reached people at the grass-roots level. At the same time, several delegations urged UNFPA to broaden its donor base to ensure financial stability. A number of delegations underscored the importance of burden sharing amongst donors. Several delegations thanked the countries that had provided additional and/or increased contributions to UNFPA and urged other donors to follow suit.

123. While commending UNFPA for utilizing the findings of the field needs assessment study, numerous delegations stated that they supported the new typology for country offices and the strengthened focus on the field. Several delegations noted their support for the Fund's focus on least developed countries and combating HIV/AIDS. A number of delegations welcomed the focus on the cultural context of population and reproductive health issues. Underlining the linkage of such issues to ethical values, delegations stated that it was important to examine the relations of various religions. Emphasizing their support for the Fund's holistic approach to reproductive health, delegations pointed out that UNFPA was doing pioneering work in the area of culture that would serve as an example to other organizations.

124. Several delegations expressed appreciation for the UNFPA-supported programmes in their respective countries. One delegation stated that there should be an increased focus on national capacity building. Drawing attention to the Brussels Programme of Action for the Least Developed Countries for the Decade 2001-2010, one delegation noted that much remained to be done and hoped that steady progress would be made during the decade. Underscoring the important role of women in development, particularly with regard to reproductive health issues, the delegation regretted that in some cultures women suffered because of gender inequities.

125. A number of delegations welcomed the "34 Million Friends" grass-roots campaign. Some delegations suggested that the campaign be extended to other developed countries, and possibly be made a worldwide campaign, tapping both individuals and the private sector.

126. The Executive Director thanked the delegations for their comments and strong support. She reassured the Executive Board that UNFPA would remain robust and resolved in ensuring that reproductive health stayed high on the global agenda. She stated in clear and unequivocal terms that UNFPA did not support or participate in the management of any programme of coercive abortion or involuntary sterilization. She emphasized that all UNFPA programmes were designed and implemented within a human rights framework. She welcomed the dialogue between the United States and China and stated that UNFPA stood ready to support China in developing the programme, upon their request, after their consultation with the United States. She hoped that the United States would once again rejoin as a supporter of UNFPA.

127. She expressed her deep appreciation to all donors who had announced additional and/or increased contributions. She also thanked donors for their guidance and for the media visibility that some had recently given to the work of UNFPA. She thanked the delegation that had mentioned expressing support for UNFPA in the General Assembly. She also thanked the same delegation for providing funding for Afghanistan that had been utilized, together with contributions from other countries, to procure a 72-bed emergency mobile hospital and to rehabilitate the Khair Khana Maternity Hospital. She assured the Executive Board that the Fund was committed to expanding its donor base: the target set for 2002 was 125 countries. She noted that UNFPA had signed an agreement with The OPEC Fund for International Development.

128. Referring to the New Partnership for Africa's Development (NEPAD), the Executive Director noted that a great deal could be achieved through the initiative. She also called attention to the positive review of the Fund's work in Africa contained in the "Independent evaluation of the implementation of the United Nations New Agenda for the Development of Africa", submitted earlier to the General Assembly. Regarding the "34 Million Friends" campaign, she took note of the suggestions made by delegations. She clarified that the campaign was not initiated by UNFPA, instead it had been independently started by two American women, Jane Roberts and Lois Abraham. She noted that some European NGOs had begun to participate in the campaign. She hoped that it would become a worldwide effort. She concluded by thanking the Executive Board for its support and the confidence it placed in UNFPA.

129. Agenda items 9 and 10 were taken up together by the Executive Board. The Executive Director introduced the documents before the Board, under the two items: Revised estimates for the biennial support budget for 2002-2003 (DP/FPA/2002/9); Report of the Advisory Committee on Administrative and Budgetary Questions on the UNFPA revised estimates for the biennial support budget for 2002-2003 (DP/FPA/2002/10); Annual financial review, 2001 (DP/FPA/2002/12); and UNFPA human resources strategy (DP/FPA/2002/11). The Executive Director stated that the revised biennial support budget reflected the results of the Field Needs Assessment study and the validation of the headquarters realignment. She underscored that strategically the revised budget was at the core of the transition process UNFPA had embarked on last year. She highlighted the major features of the proposals before the Board: the implementation of a new country office typology; the establishment of three country offices and the abolishment of two existing ones; a comprehensive human resource strategy; further structural realignment of headquarters; additional investments for improved country offices connectivity; and an overall reduction in core posts from 1,020 to 972. She noted that there were two extra-budgetary requirements contained in document DP/FPA/2002/9, namely, the implementation of the Enterprise Resource Planning (ERP) project in conjunction with UNDP; and a provision for staff early termination resulting from the re-profiling of country offices.

130. The Executive Director observed that the revised biennial support budget included elements of the implementation of a human resources development strategy. She stated that the revised budget proposal before the Executive Board was $13.1 million lower than the one approved by the Board last year. With further cost containment measures in place, the Fund's gross appropriation would be reduced to $147.8 million, i.e., $20.5 million or 12.2 per cent lower than the appropriation of

$168.3 million approved by the Board in 2001. The Executive Director stated that UNFPA would not receive in 2002 the contribution of one of its major donors. She underscored that that would severely affect the programmes in countries being assisted by UNFPA. She noted that the income scenario would be of $492 million for the biennium, if the gap in regular income was not bridged by other donors. The Executive Director updated the Executive Board on the meeting with the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and noted that there had been a constructive dialogue. With reference to the reclassification issue raised by ACABQ, she pointed out that the reclassification review performed by UNFPA was the first organization-wide review in 14 years and, inter alia, aimed to match the organizational structure with programme goals.

131. The Director, Division for Management Services (DMS) made a power point presentation on the revised biennial support budget for 2002-2003, focusing on: the revised budget and the contingency plan; country office typology, including the impact on costs and posts; income, including the impact of reductions and the actions required; analysis of the biennial support budget cost structure and ratio; determining factors for biennial support budget requirements and effects of income volatility; and ACABQ matters.

132. During the ensuing discussion numerous delegations expressed appreciation for the excellent introductions. While expressing concern about the Fund's grave financial situation, several delegations hoped that the situation would improve in the near future. Several delegations thanked the donor countries that had announced increased contributions to UNFPA and urged other donors to follow suit. Numerous delegations underscored the key role of UNFPA in achieving the goals of the Programme of Action of the International Conference on Population and Development (ICPD), ICPD+5, and the Millennium Development Goals (MDGs).

133. One delegation reminded the Executive Board of the resolution adopted by the European Union Development Cooperation Ministers in May 2002 underlining, inter alia, the importance attached to UNFPA activities and emphasizing that UNFPA deserved strong support to pursue its activities, thereby contributing to reaching the MDGs. The Ministers had invited all donor countries to pursue their support to UNFPA and welcomed the Commission's intention to strengthen its cooperation with the Fund. A number of delegations appreciated the reference to the European Union Development Cooperation Ministers' support for UNFPA.

134. Several delegations endorsed the revised biennial support budget including the contingency plan. One delegation expressed concern regarding the 30 per cent ratio of the gross biennial support budget to income and urged the Fund to make it as low as possible. One delegation stated that it hoped that the contingency plan would not need to be implemented, nevertheless, it endorsed up to 30 per cent of the budget for support costs. One delegation stated that in the future a budget document with a better structure and a shorter executive summary would be appreciated. The delegation asked for a clarification regarding the reference to encouraging signs of emerging strong financial support in paragraph 113 of document DP/FPA/2002/9. The delegation underscored the importance of widening and broadening the Fund's donor base and emphasized that burden sharing amongst donors must become a reality. The delegation questioned the adjustment in the country office vacancy rate from 2 per cent to 10 per cent and wondered if the Fund could continue to operate with the higher vacancy rate. The delegation stressed that the implementation of the

MDGs went hand-in-hand with the implementation of the ICPD Programme of Action and was everybody's concern.

135. One delegation, referring to the zero closing balance in the table on page 12, inquired about its accuracy and asked if there had been a carryover to the next budget and, if not, how had the funds been utilized. One delegation expressed concern that activities funded through other resources were being subsidized by regular resources. The delegation urged UNFPA to ensure proper cost recovery in such cases. One delegation noted that in the future it would be useful to have information on expenditure data by country and by region for previous budgetary cycles.

136. Numerous delegations commended the Fund's human resources strategy and, in particular, the new country office typology and the focus on strengthening country offices. One delegation offered the following suggestions: the strategy should include indicators and benchmarks; the timeline should be extended beyond the current year and the document should be revisited and revised over time to meet organizational needs; an action plan with specific targets and benchmarks should be prepared; and the strategy should incorporate a section on specific training needs of staff. One delegation urged UNFPA to focus greater attention on strengthening the country offices. The delegation added that more use should be made of local staff and in case international staff were hired it should be in consultation with the national Government. One delegation expressed concern that under the proposed country office typology the post of UNFPA Representative would be abolished from its country. The delegation requested clarification on how the country office would function in the short-, medium-, and long-term without a UNFPA Representative.

137. One delegation stated that the human resources strategy must receive the full support of management and should translate into concrete actions. The delegation added that having achieved a sound balance of men and women in its staff, UNFPA should also ensure that there were opportunities for career development and advancement. The delegation requested further information on the UNFPA recruitment process and asked for the Fund's views on the UNDP recruitment of resident coordinators. Several delegations encouraged UNFPA to stay focused on its transition process and endorsed the proposed reclassification and the establishment of three new country offices. A number of delegations noted that the reclassification was an indispensable part of a package of measures proposed by the Fund. One delegation requested a clarification on the ACABQ comment (in document DP/FPA/2002/10) that a massive reclassification was not justified.

138. In her response the Executive Director thanked the delegations for their strong support and for endorsing the various components of the transition process, including the reclassification and the human resources strategy with its focus on the country office typology and competency framework. She conveyed special thanks to Canada and the United Kingdom for their additional contributions. Regarding the query about encouraging signs of emerging financial support, she pointed out that the Fund's tone of optimism resulted from the increased contributions received from five countries and the expectation that at year-end additional resources might be forthcoming. She noted that UNFPA had set a target of 125 donors in 2002. There were already 106 donors and additional donors were expected in the following month. She called on developing countries to make contributions to UNFPA even if they were only symbolic. Concerning the format of the budget document, she noted

that the biennial support budget was presented in a format harmonized with sister organizations. She agreed that the executive summary was too long and assured the Executive Board that next year a shorter summary would be provided. She also agreed that next time expenditure data on the previous budgetary cycle would be provided for purposes of comparison. With reference to the inquiry about the 10 per cent vacancy rate, she stated that as a result of UNFPA improving its tracking of vacancies 10 per cent was seen to better reflect reality. Moreover, she declared, that such a rate would not hamper the functioning of the organization. Regarding the question raised by one delegation about the abolishment of the post of UNFPA Representative from its country, the Executive Director clarified that the Director of the Country Technical Services Team (CST) in that country would act in both capacities, i.e., as Director, CST, and as UNFPA Representative. She assured the Board that in countries where no UNFPA Representative was present the Fund would continue to work utilizing its national staff and also working through the UNDP office.

139. Concerning the reference to the ACABQ comment on the reclassification, the Executive Director noted that UNFPA had had a constructive discussion with ACABQ. She added that UNFPA had not had an organization-wide job reclassification exercise since 1988 and the exercise was needed to accurately reflect the functions being carried out by staff. With reference to the competency framework, the Executive Director noted that UNFPA had identified three types of competencies: generic, managerial and functional. The competencies would differ at different job levels. At the same time, they would allow for movement between UNFPA and other organizations. She added that competencies were being utilized in the CST selection process. She observed that UNFPA had learned from the UNDP Resident Coordinator recruitment system and was applying the lessons as appropriate. Regarding the comment on strengthening country offices, she confirmed that UNFPA was giving high priority to supporting and strengthening country offices. She noted that UNFPA remained vigilant regarding cost-recovery matters. She clarified that project posts were funded by other resources. She observed that the Fund invariably consulted the national government regarding international appointments in a given country. The Executive Director observed that the details of the human resources strategy were being developed and would certainly include indicators, benchmarks and targets. She concurred that the strategy would need to be revisited and revised over time to meet emerging needs. In conclusion, she thanked the Executive Board for its unwavering support to UNFPA during difficult and challenging times.

140. The Executive Board adopted decision 2002/24 (see document DP/2003/2), UNFPA: Revised estimates for the biennial support budget for 2002-2003.

XI. Country programmes and related matters

Africa region

141. The Director, Africa Division, introduced the following country programme outlines (CPOs): Botswana (DP/FPA/CPO/BWA/4); Burundi (DP/FPA/CPO/BDI/5); Comoros (DP/FPA/CPO/COM/4); and Guinea-Bissau (DP/FPA/CPO/GNB/4).

142. One delegation, while commenting on the Burundi and Botswana CPOs, was pleased to note that UNFPA would be providing support to the two countries where the HIV/AIDS epidemic threatened so many lives. Regarding the Burundi CPO, the delegation appreciated the focus on fewer expected outputs in view of the small size of the programme; the importance accorded to supporting data collection and use; and the focus on advocacy activities, including work with journalists and parliamentarians. With reference to the Botswana CPO, the delegation welcomed the programme focus on areas where UNFPA had a comparative advantage. The delegation stated that the output indicators appeared highly ambitious and some included outcomes or impact measures (for example, 10 per cent reduction per annum of violence against women and girls). While underscoring that the programme focus on HIV/AIDS prevention was vital in a country where nearly 40 per cent of sexually active adults were HIV-positive, the delegation hoped that some of the indicators would focus principally on HIV/AIDS. The same delegation also asked whether UNFPA had conducted any evaluation of its advocacy training activities, and, if so, with what results.

143. The Director, Africa Division, thanked the delegation for its comments and support. Concerning the Botswana country programme, she noted that the Government had accorded high priority to reducing violence against women and children. She underscored the importance of supporting the country. As regards the evaluation of advocacy activities, she observed that UNFPA was working on the final evaluation of the previous country programme that had included such training and she would provide additional information at a later date. She also noted that indicators specifically on HIV/AIDS would be used for some of the component projects under the new country programme.

144. The Executive Board took note of the following CPOs and the comments made thereon: Botswana (DP/FPA/CPO/BWA/4); Burundi (DP/FPA/CPO/BDI/5); Comoros (DP/FPA/CPO/COM/4); and Guinea-Bissau (DP/FPA/CPO/GNB/4).

Asia and the Pacific region

145. The Director, Asia and the Pacific Division (APD), introduced the following country programme outlines: China (DP/FPA/CPO/CHN/5); East Timor (DP/FPA/CPO/ETM/1); Maldives (DP/FPA/CPO/MDV/3); and the South Pacific sub-region (DP/FPA/CPO/PIC/3).

146. The delegation of China thanked the Director, APD, for his introduction and stated that it supported all nine country programme outlines before the Executive Board.

147. Referring to the cooperation between China and UNFPA, the delegation noted that it focused mainly on the provision of reproductive health information and client-centred, quality services to a population of 17.3 million in 32 project counties. As a result of the cooperation there had been a significant and positive change in the reproductive health indicators in the 32 project counties. In addition, there had been a snowballing effect as many regions outside the 32 project areas had adopted the same modality for client-centred reproductive health services. The delegation noted that the new China programme had been designed and formulated

by external experts in close consultation with the Chinese Government. Views had been sought from Chinese and international experts and representatives of major donors, including the United States. Guided by the principles of the Programme of Action of the International Conference on Population and Development (ICPD) and the Millennium Development Goals (MDGs), the programme was entirely in line with the mandate of UNFPA. The delegation stated that the country programme outline originally had been scheduled to be considered by the Executive Board at its annual session in June. However, in order to wait for the report of the United States Government mission led by Ambassador Brown to become available, and hoping that the United States would decide to resume its contribution to UNFPA, China had agreed to accommodate a request to defer consideration of the programme to the second regular session of the Board in September. The delegation regretted that its good will gesture had not yielded the result expected by the vast majority of countries.

148. The delegation underscored that the cooperation programme between China and UNFPA had always been open, transparent and subject to comprehensive and effective monitoring. The delegation added that in the last three years there had been as many as 160 independent assessment missions, inspection teams and study groups that had come to learn about the implementation of the programme. In other words, on average, every seven days an inspection team had visited the project areas. The United States team had travelled independently in all parts of China for two weeks and its conclusion was the same as that of the other teams, i.e., that the cooperation between China and UNFPA was fully in conformity with the Fund's mandate and ICPD principles and no coercive activities were supported. The delegation stated that China was ready to conduct consultations with all interested countries, including the United States, on the details of the new programme. The delegation underscored that it supported the work of UNFPA and noted that while China received limited assistance, it contributed $820,000 annually to the Fund. In addition, China provided sizeable funds to help defray the administrative costs of the UNFPA office in Beijing. As a developing country with a population of 1.3 billion, China viewed cooperation with UNFPA as a window for continued exchanges in the international population and development field and a conduit for acquiring the latest international reproductive health information and technology.

149. Numerous delegations, including those speaking on behalf of the Asia and Africa regional groups and the Group of 77 and China, took the floor to express support for the country programme outline for China. They emphasized that the programme was consistent with the UNFPA mandate and the goals of ICPD, ICPD+5 and with the MDGs. Registering their confidence in UNFPA, delegations stressed that the Fund's activities in China were undertaken within a human rights approach, were fully in line with the principles of the ICPD Programme of Action and would contribute positively to reducing maternal and infant mortality. They stated that the allegations levelled against UNFPA were false and baseless. They emphasized that various monitoring missions, including those undertaken by Executive Board members, parliamentarians and government representatives from donor countries had all arrived at the same conclusion: UNFPA was a force for good in China and did not support any coercive programme.

150. Numerous delegations underscored that an important and significant shift had taken place from an administrative family planning approach to an integrated, client-oriented reproductive health approach in the 32 project counties under the

UNFPA-supported programme in China. Several delegations commended UNFPA for its crucial and catalytic role in the 32 counties and were pleased to note that the Government of China intended to institute aspects of the client-oriented, quality reproductive health approach in 827 additional counties. They welcomed the Fund's work in supporting the Government of China in developing its policies regarding HIV/AIDS, ageing and gender equality. They encouraged UNFPA to continue the successful collaboration with the Chinese Government and Chinese society.

151. Several delegations underscored that the UNFPA-supported programme in China addressed the right priorities, including increasing the availability of quality, integrated and client-oriented reproductive health and family planning information and services; and emphasizing informed choice, the prevention of abortion, and the prevention of sexually transmitted diseases, including HIV/AIDS. One delegation mentioned that the linkage to the MDGs, particularly maternal mortality, should be more dominant. A number of delegations welcomed the serious commitment to reform and openness within the China family planning programme. Delegations pointed out that the removal of birth targets and quotas in those areas receiving UNFPA support was evidence of reform and of the value of the Fund's involvement in China. They underscored that progress in reform could be enhanced through engagement and support of exactly the type provided by UNFPA. One delegation noted that UNFPA was uniquely placed to play the role of "critical friend" in the countries where it worked. The delegation added that in order to bring about positive change the Fund would need to continue to work with governments. Affirming that UNFPA had demonstrated its commitment to support change and reform in China, the delegation encouraged UNFPA to help ensure that the lessons learned regarding equity in access to services for the poor and the underserved were applied. The delegation also encouraged the Fund to assist in testing ways to eliminate social compensation fees, and to support policy analysis and research, for example, in monitoring the reproductive health law.

152. One delegation, while stating that it strongly supported the goals of the ICPD and UNFPA efforts to advance them, noted that it would await further information about the details of the China programme as they developed. The delegation noted that it had explained to the Executive Board its country's legal requirements to contribute to UNFPA. The delegation added that in the past, the team headed by Ambassador Brown had found in China "coercive elements in law and practice" which legally prevented its Government from funding UNFPA. The delegation stated that it would carefully review the structure and implementation of the new China programme to determine whether it could resume contributing to UNFPA. The delegation added that its country was a long-time supporter of UNFPA and a committed member of the Executive Board and it hoped to legally be able to contribute to UNFPA in order to further the Fund's important work in promoting ICPD goals.

153. Several delegations deeply regretted the decision of the United States to withhold its contribution to UNFPA. They noted that the decision would negatively impact women and children in developing countries, including in the least developed countries and in sub-Saharan Africa. Numerous delegations urged the United States to reconsider its decision and restore funding to UNFPA. Several delegations stressed that UNFPA needed strong political and financial support, including predictable core funding, in order to carry out its mandate effectively. Numerous delegations reiterated their firm support for UNFPA and underscored that

the Fund was a valuable partner. One delegation noted that its country's bilateral programme in China focusing on maternal and child health and HIV/AIDS prevention offered opportunities for synergies with the UNFPA-supported programme. One delegation asked if the Fund would in the long run emerge stronger from facing the present adversity.

154. Concerning the country programme outline for East Timor, one delegation commended UNFPA for its swift response to the situation in East Timor and for the assistance being provided to the newly independent country. One delegation noted that Fund's role in East Timor was becoming more important, given that the Government had identified health as a high priority.

155. The Executive Director thanked all delegations that had spoken in support of UNFPA. She reiterated the Fund's full commitment to the ICPD Programme of Action, the framework of the Fund's mandate and the guide for its work. She thanked the countries that had announced additional contributions earlier in the session. She noted that UNFPA had made some calculations and the funding gap was still big. She thanked the United States delegation and the United States Government, especially Secretary of State Colin Powell, for trying to find ways to work with UNFPA and with the Chinese Government to facilitate the return of the United States contribution to UNFPA. She thanked the Chinese Government for the dialogue that UNFPA had been having with them since she had taken office, and in the prior years. She underscored that it was through such dialogue, over a number of years, that the targets and quotas had been removed from the project counties and it was gratifying to note that the Chinese Government intended to extend the client-oriented, reproductive health approach to 827 additional counties not covered by the UNFPA programme.

156. The Executive Director emphasized that UNFPA would continue both its dialogue and work with the Chinese Government. She noted that she would also continue to raise the issue of social compensation fees that had been commented on by one of the delegations. She observed that she had paid an official visit to China in December 2001 and had travelled to various parts of the country. She had left the country knowing that a strong relationship between UNFPA and China had been cemented, which would further allow frank and open dialogue. She noted that during that visit she had raised the subject of social compensation fees. She added that she had left the country with the Chinese Government knowing that UNFPA was indeed a friend but also a "critical" friend. She pointed out that UNFPA played the role of a critical friend in all countries where it worked. Regarding human rights, she stated that it was not just the issue of quotas and targets – UNFPA was committed to promoting human rights in all countries, and towards that end its dialogue with countries included such subjects as female genital cutting and violence against women. She emphasized that the whole issue of human rights was the envelope within which UNFPA worked.

157. The Executive Director stated that she looked forward to a positive response from the United States Government to the Chinese invitation to all countries to participate in consultations concerning the development of the UNFPA-supported fifth China programme. Clarifying a point raised by the United States delegation, the Executive Director noted that an ethical question had been raised earlier in the session when the delegation had stated that the Kemp-Kasten amendment specified "that no United States Government funds be used in a programme that supports or

participates in the management of a programme of coercive abortion or involuntary sterilization". She clarified that UNFPA did not support or participate in the management of a programme of coercive abortion or involuntary sterilization. She observed that until 2001 the agreement with the United States Government was that no United States funds would be spent in China. Therefore, after deducting an amount equivalent to what would have been spent in China annually, the United States contribution was placed in a separate account. She assured the Executive Board that as per the established procedure between the United States and UNFPA, no United States Government funds were spent in China. She emphasized that the arrangement would allow the United States contribution to be utilized to support programmes in countries other than China and that could still be done for any 2002 contribution. She stated that the bottom line issue was not funding, rather it pertained to trust, mutual respect and mutual support. She underscored that the joint responsibility of all was to ensure that human rights and the rights of women were respected all over the world, and not only in China.

158. Regarding the call for increased monitoring of the programme in China, she underscored that in order to develop and/or increase the Fund's capacity to monitor the programme, more resources, rather than less, were required. She stated that UNFPA stood ready to assist the Chinese Government in developing component projects based on the results from consultations with various international organizations, donors and development partners, including the United States. She thanked the delegation that had mentioned possible synergies with its bilateral programme in China. She welcomed the information and hoped that there would be a partnership between the two programmes. Concerning the query whether the recent adversity had made UNFPA stronger, the Executive Director responded that UNFPA had indeed emerged stronger. She stated that UNFPA was fast becoming a household name in the United States and people who had not heard about the Fund were becoming acquainted with its work. She noted that in terms of popular and grassroots support in the United States, the current crisis had helped bring to the surface the Fund's work in assisting countries around the world in implementing the ICPD Programme of Action and in promoting human rights. She added that UNFPA was also stronger because of the support of the Executive Board that firmly believed in the Fund and its commitment to ethical principles. She underscored that UNFPA greatly valued the Board's confidence and trust and would honour it by working even more effectively and efficiently to be more transparent and worthy of support. She concluded by expressing her deep appreciation and gratitude to the Board for its support and trust.

159. The Director, APD, thanked the delegations for their support and the trust they placed in UNFPA. He stated that the Fund would provide technical assistance for the first national census in East Timor. The census would yield data that would be of great help for the socio-economic development of the country. Regarding the China country programme outline he noted that the linkage with the MDGs would be enhanced when the programme was further developed. He mentioned that the UNFPA Representative from China was present in the room and would be available to discuss any aspect of the UNFPA-supported programme in China.

160. The Executive Board took note of the following country programme outlines and the comments made thereon: China (DP/FPA/CPO/CHN/5); East Timor (DP/FPA/CPO/ETM/1); Maldives (DP/FPA/CPO/MDV/3); and the South Pacific sub-region (DP/FPA/CPO/PIC/3).

Latin America and the Caribbean region

161. The Director, Latin America and the Caribbean Division (LACD), introduced the country programme outline for Colombia (DP/FPA/CPO/COL/4).

162. One delegation, while expressing support, stated that meeting the basic needs, for example, health needs, and protecting the human rights of people affected by conflicts should be a priority in Colombia. The delegation stressed the importance of increasing support to the most vulnerable people, including internally displaced persons, children, women and indigenous and Afro-Colombian people. The delegation underscored the relevance of the proposed programme's expected output pertaining to improved access to sexual and reproductive health services for displaced populations, particularly adolescents. Referring to the expected output pertaining to enhanced integration of population factors in national development plans and policies, the delegation hoped that, as indicated in the outline, the programme would put an emphasis on internal population displacement and international migration issues. The delegation added that details should be included concerning the links between the country programme and peace and security issues. The delegation noted that consideration should be given as to how the country programme would be implemented if the situation deteriorated. One delegation welcomed the programme efforts to deal with the serious issues confronting Colombia and expressed concern about the security situation in the country. The delegation also thanked UNFPA for the assistance being provided to its own country.

163. The Director, LACD, thanked the delegations for their support and comments. She confirmed that UNFPA was addressing the needs of internally displaced people in Colombia and the Fund's focus would be to build on programmes already in place. She concurred that programme links with peace and security issues were of the highest importance. She noted that in accordance with the Government's needs and priorities a humanitarian plan was being designed by the United Nations country team. She added that the Government wished UNFPA to participate in the plan in a strategic way at the highest policy levels. She pointed out that there would be opportunities to include more details as the programme was further developed. She underscored Colombia's great need for resources and, considering the modest size of the programme, she invited the international donor community to participate in co-financing activities.

164. The Executive Board took note of the country programme outline for Colombia (DP/FPA/CPO/COL/4).

XII. Other matters

United Nations Capital Development Fund

165. With regard to the United Nations Capital Development Fund (UNCDF), the Executive Board held an informal meeting to discuss the financial situation. The

Associate Administrator expressed concern over the downward trend in UNCDF resources over the last decade, which had constrained the response of the Fund to the increasing demand of programme countries. He hoped that the Board would find a solution to the resource problem and would agree on a resource mobilization strategy for UNCDF

166. The Executive Secretary warned that, if the financial situation did not improve, the sustainability of UNCDF and the impact of its operations would be jeopardized. He advised that in order to maintain the critical mass to support the least developed countries (LDCs), UNCDF needed to mobilize $30 million in regular (core) resources and $10 million in other (non-core) resources per annum.

167. Delegations, including the representatives of the African and LDC groups, thanked and encouraged UNCDF to continue the good work in programme countries. To this end, they endorsed the core resource mobilization strategy to meet the annual target of $30 million. Some donors announced that they would review their current contributions with a view to raising their level of support to UNCDF so that all eligible countries would receive support.

168. Investment in public relations activities was also suggested as a way in which to raise the image of the Fund, which was essential for resource mobilization. Another delegation wished to know whether CDF benefited from UNDP core resources.

169. In his response, the Associate Administrator pointed out that UNDP and UNCDF received their respective core contributions separately; there were no transfers from the former to the latter in their programming arrangements

170. The Executive Secretary concurred with the response of the Associate Administrator on the transfer of core resources from UNDP to UNCDF. He noted, however, that the collaboration between the two organizations had contributed to the optimal utilization of core resources. He echoed the sentiments expressed by delegations regarding the inability of UNCDF to respond adequately and to all eligible countries as a result of resource constraints.

171. Regarding investments in public relations, he regretted that UNCDF did not have resources for this purpose. He suggested that programme countries could report to the donors on how they appreciated the work of UNCDF and appeal for more support to improve the resource situation of the Fund.

172. The Executive Board adopted decision 2002/26 (see document DP/2003/2) and called on the international community to assist UNCDF in mobilizing $30 million per annum in order to fulfil its mandate.

Briefing on the Brussels Programme of Action for the Least Developed Countries

173. The High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States briefed the Executive Board on the Brussels Programme of Action for the Least Developed Countries for the Decade 2001-2010.

174. The Executive Board adopted decision 2002/25 (see document DP/2003/2), on the Brussels Programme of Action for the Least Developed Countries for the Decade 2001-2010.

Joint meeting of the Executive Boards

175. Executive Board members observed that joint meetings in the past had provided members of the Executive Boards of UNDP/UNFPA, the United Nations Children's Fund and the World Food Programme with opportunities to exchange information and experiences on areas of mutual interest. While they agreed that the joint meetings should continue to be held, delegations advised that the time allotted for them was inadequate for substantive and interactive debate.

176. Accordingly, they adopted decision 2002/27 (see document DP/2003/2), proposing a two-day joint meeting to be held in January 2003.

Note on reporting in 2003

177. The Director, Bureau for Resources and Strategic Partnerships, introduced the note on reporting, in which he informed the Executive Board that in September 2003 the Administrator would propose a multi-year funding framework (MYFF) covering the period 2004-2007. The MYFF 2004-2007 would take into consideration the following elements: analysis of country-level demand, the Millennium Development Goals and the six practice areas. It would also build on the experience gained during the first MYFF 2000-2003. Out of the first three-year MYFF experience would come the MYFF report, to be presented at the annual session 2003, where it will be discussed together by UNDP and the Executive Board prior to the finalization of MYFF 2004-2007.

178. The Executive Board concluded its work by adopting decision 2002/28 (see document DP/2003/2).